

Thursday 4 March 2021, 4.30-7.00pm
Via zoom

AGENDA

	Approx. time	Page
1. Welcome and apologies for absence	4.30	-
2. Declaration of Interests	4.33	-
3. Minutes of previous meeting	4.35	2
4. AOB & matters arising:	4.40	
• Nutrient neutrality in the Stodmarsh catchment		10
• Vote on Sector Support Fund application – Please read application prior to meeting.		14
• Budget announcement & Capital Project Pipeline		-
• Draft Business Priorities for KMEP during 2021		29
5. London Resort’s application to Planning Inspectorate for Development Consent for Nationally Significant Infrastructure Project. <i>Andy Martin of London Resort, Chris Potts of Savills, and Rob Hancock of Kent County Council will present.</i>	5.10	Presentation
6. Short Straits to Smart Straits <i>John Keefe and Doug Bannister will present. The proposal is attached.</i>	5.40	Presentation
7. Impact of EU transition – Feedback from the ports <i>John Keefe and Doug Bannister will present.</i>	6.00	Presentation
8. Growth Hub Procurement & future business support <i>David Smith and Sue Berdo of Kent County Council will present.</i>	6.20	Presentation
9. Digital Skills & SAP activities – Update on work underway and how to get involved <i>Louise Aitken and Jim Wilkinson of SELEP will present. An early draft of the SELEP Skills Report for the DfE will be circulated to board members on Friday afternoon.</i>	6.35	Presentation & report to follow separately

For information item:

- A. KMEP and SELEP future meeting dates

ITEM 3

Subject: DRAFT MINUTES of the Kent & Medway Economic Partnership (KMEP)
meeting held virtually on Wednesday 2 December 2020.

Attendees:

KMEP Board Members

Geoff Miles (Maidstone TV Studios KMEP Chairman)	CLr Trevor Bartlett (Dover DC)
Matthew Arnold (Stagecoach buses)	CLr John Burden (Gravesham Borough Council)
Miranda Chapman (Pillory Barn)	CLr Rodney Chambers (Medway Council)
Carol Ford (Horticultural Taskforce)	CLr Gerry Clarkson (Ashford BC)
James Forknall (Kent County Agricultural Society)	CLr Martin Cox (Maidstone Borough Council)
Liz Gibney (Lee Evans Partnership)	CLr Peter Fleming (Sevenoaks District Council)
Richard Hall (Trenport Property Holdings Ltd)	CLr Roger Gough (Kent County Council)
Jo James (Kent Invicta Chamber of Commerce)	CLr Nicolas Heslop (Tonbridge & Malling Borough Council)
John Keefe (Getlink/Eurotunnel)	CLr Jeremy Kite (Dartford Borough Council)
Emma Liddiard (Global media)	CLr Alan McDermott (Tunbridge Wells Borough Council)
Vince Lucas (VA Rail)	CLr David Monk (Folkestone & Hythe District Council)
Andrew Metcalf (Maxim PR)	CLr Roger Truelove (Swale Borough Council)
David Milham (FSB)	Simon Cook (Mid-Kent College)
Bob Russell (Beams International Ltd & Copper Rivet Distillery)	Prof. Mike Weed (Canterbury Christ Church University)
Paul Winter (Wire Belt Company Limited)	

Apologies:

KMEP Board Members

Troy Barratt (Contracts Engineering & BAMUK Group Ltd)
Shereen Daniels (HR rewired)
CLr Rick Everitt (Thanet District Council)
CLr Ben Fitter-Harding (Canterbury City Council)

Item 1 – Welcome, introduction and apologies.

1.1 Geoff Miles (the KMEP Chairman) welcomed attendees to the meeting and accepted the apologies for absence as listed above.

Item 2 – Declaration of Interests

- 2.1 No declaration of interest was received.

Item 3 – Minutes of previous meeting

- 3.1 At the meeting on 17 November 2020, Andrew Metcalf declared that Discovery Park and NIAB EMR were clients of his PR firm. With the addition of this declaration of interest, the minutes of the previous meeting were agreed as a correct record.

Item 4 – Any Other Business

- 4.1 The Chairman thanked Prof. Rama Thirunamachandran and Prof. Mike Weed for their participation as the Higher Education representatives for KMEP in 2020.
- 4.2 The Chairman drew board members' attention to the spending review summary, which was noted.
- 4.3 Joe Ratcliffe of Kent County Council explained that Highways England has withdrawn its Lower Thames Crossing Application. The application is likely to be resubmitted to the Planning Inspectorate once further work has been completed including: 1) the modelling of construction traffic movements 2) creating a navigation impact assessment for the River Thames (as a jetty on the north shore will be used to remove spoil) and 3) supplying more details on the management of materials and waste. The full note from the planning inspector is available to view at:
<https://infrastructure.planninginspectorate.gov.uk/wp-content/uploads/projects/TR010032/TR010032-Advice-00029-1-201126%20LTC%20Project%20Update%20Meeting.pdf>
- 4.4 The Chairman gave a short update on the nutrient neutrality issue, which is inhibiting residential and commercial development in the Stodmarsh catchment area. He explained that the Local Planning Authorities are meeting with the Planning Advisory Service (PAS) for the first time today to discuss the nitrates and phosphorus levels. The Heads of Planning have meetings scheduled with PAS throughout December to February, and so KMEP will receive its first update at the next meeting. As this meeting is a few months away, the Chairman sought the agreement of KMEP that he could invite Tracey Kerly and Colin Carmichael to the next Business Advisory Board (BAB) meeting in January, so the businesses could receive an interim update, as this is a matter of great concern for the construction sector. This plan of action was agreed.

Item 5 – Digital Connectivity & Broadband Provision

- 5.1 Liz Harrison (Economic Development Manager at Kent County Council) presented this item.
- 5.2 She provided an overview of Kent and Medway's Superfast and Broadband coverage. At the time of the meeting, 95.1% of Kent had access to superfast broadband (≥ 30 Mbps), and 98.4% of Medway. Current data on digital connectivity across the UK can be accessed at: <https://labs.thinkbroadband.com/local/broadband-map#6/51.414/-0.641/>

- 5.3 Internationally, the UK's digital connectivity compares favourably with other nations with 96% of the UK having superfast broadband coverage. Only Malta, Cyprus, Belgium, Netherlands and Luxembourg have higher coverage across the EU.
- 5.4 Gigabit-capable coverage in the UK is more limited, at only 10%. However, Full Fibre, Gigabit and Ultrafast coverage is rapidly increasing across Kent and Medway. The Chancellor announced in his 2020 Spending Review that there will be a new £5bn UK Gigabit Broadband Programme. The aim is to ensure there is at least 85% gigabit broadband coverage by the end of 2025.
- 5.5 The market is expected to deliver gigabit coverage to 80% of UK premises. The Government's new UK Gigabit Programme will focus on identifying and tackling the final 20% of hardest to reach locations – up to circa 6 million premises – using an “outside-in” approach to deployment (i.e. build out from rural areas first, rather than leaving them until last). Kent is a ‘Planning for Gigabit’ pilot area, so the Council is working closely with the Government and BDUK on the initiative.
- 5.6 One way to reach these last 20% of premises (using the outside-in approach) is to offer demand-led interventions (such as voucher schemes), coupled with supply-side interventions.
- 5.8 In September 2019, the ‘Kent Top-Up Voucher’ was launched. It provides an additional £1,000 for residential properties applying to the Government's Rural Gigabit Voucher Scheme. This means that Kent homes and businesses can receive up to £2,500 and £3,500 funding, respectively for a gigabit-bit capable broadband connection. More details are available at:
<https://www.kent.gov.uk/leisure-and-community/broadband/broadband-voucher-schemes/kent-broadband-top-up-voucher>
- 5.9 Liz Harrison thanked KMEP for prioritising the ‘Digitally Connecting Rural Kent and Medway’ scheme for Getting Building Funding (GBF) back in July 2020. The £2m of GBF has allowed her team to offer an enhanced voucher to connect the hardest-to-connect areas (up to £7,000 of total funding). Through the voucher scheme, between 700 and 1200 hard-to-reach premises should be connected before March 2022.
- 5.10 On next steps, Liz Harrison outlined the need to take every opportunity to accelerate the rollout of gigabit-capable broadband. As part of this, there will be a need to build upon Kent Top-Up Voucher successes, and the recent GBF voucher scheme could be a blueprint for future interventions.
- 5.11 During the discussion, Peter Fleming commented on the need for district colleagues to have access to the connectivity data for premises. Liz Harrison explained that non-disclosure agreements by the market providers prevented the distribution of this data currently; conversations were being held with the providers to encourage sharing.
- 5.12 Martin Cox commented on connectivity issues that he experiences within Maidstone. Liz Harrison asked him to contact her outside of the meeting with details of his location and internet service provider's package, so she could investigate further.
- 5.13 The Chairman thanked Liz Harrison for her presentation.

Item 6 – EU transition & Traffic Management Plans

6.1 The Chairman welcomed Barbara Cooper and Toby Howe to the meeting to discuss traffic management in advance of the end of EU transition. They made the following comments during their presentation.

Operational Fennel:

- Operation Fennel outlines all the plans that have been developed to ensure Kent motorways can be kept open to traffic and that disruption for local residents, businesses and other road users is kept to a minimum.
- The plans have been modelled on a reasonable worst-case scenario of 7,000 HGVs requiring to be held in Kent for up to 2 days.
- Trader and freight readiness, and haulers using the 'Check an HGV is ready' web portal will be critical factors to a successful transition.

Inland Border Facilities:

- Import controls are deferred to 1 July 2021.
- HMG has secured five sites in Kent for Inland Border Facilities – Sevington, Waterbrook, Ebbsfleet, Manston and 'the Dover' site.
- From 1 January 2021, the Inland Border Facilities at Ebbsfleet and Sevington will be used by HMRC for customs checks for outbound freight (Sevington will also be used for inbound). Waterbrook will be available as a back up to Sevington.
- Manston will be used as an Inland Border Facility if Port of Dover Traffic is diverted when the M20 is nearing capacity due to Operation Brock.
- The construction works at Sevington have moved at pace and are near completion.

Triggers that result in Operation Fennel being deployed:

There are a number of triggers involved with various stages of the Operation Fennel traffic management plan:

- Over the weekend before 31 December, Highways England (HE) will install the Quick Movable Barrier on the M20 (Operation Brock) between Junction 9 at Ashford and Junction 8 at Hollingbourne.
- On 1st January 2021, freight will initially continue to use existing routes to the ports via M2/A2 & M20/A20. New Inland Border Facilities will be open at Ebbsfleet and Sevington to enable any HMRC checks if required.
- The first trigger will be the requirement for TAP on the A20 approaching Dover, which can hold up to 500 HGVs. All Port Traffic will be directed to use M20/A20.
- The second trigger will be when TAP on the A20 is filling and/or Eurotunnel freight is likely to queue onto M20 at J11A; at this point 'Operation Brock' will become 'active' with HGVs held at traffic lights prior to J9, Eurotunnel freight on the hard shoulder and Port of Dover freight in lane 3 – allowing two free lanes for emergency vehicles. In addition, the Inland Border Facility at Sevington can hold freight, total capacity for the two locations is around 3,200.
- If the M20 is reaching capacity due to Operation Brock, Dover bound HGVs will be diverted to Manston. Manston can hold 4,000 HGVs, with an additional 300 held at the 'Dover' location.

Kent Access Permit/Check an HGV is ready web portal:

- To limit the impact on local communities and businesses, HGVs heading to the ports and over 7.5 tonnes will need to apply for a Kent Access Permit (KAP) before entering Kent.

- The web portal <https://www.gov.uk/check-hgv-border> sets out how to apply for a permit.
- Automatic Number Plate Recognition (ANPR) cameras will be located on the M2 & M20 to monitor port bound freight and check they have a KAP.
- Any non-border ready freight can be stopped by Kent Police or DVSA and fined up to £300 per offence.
- KCC is seeking temporary powers, for up to six months, from the DfT to enforce against anti-socially parked HGVs in East Kent as well as Swale and Maidstone.
- Haulage companies based in East Kent and around Faversham and Teynham will be supplied a Local Haulage Permit (LHP) to enable them to travel directly to the ports, without having to travel in the wrong direction to then have to travel back through Operation Brock on the M20. LHPs are supplied by KCC to all local companies that have registered vehicles that are licenced to travel to Europe; however, they must be compliant with a Kent Access Permit. The LHP will be unique to the individual HGV and must be placed in the windscreen to be clearly visible.
- Freight trading in Kent, but not crossing the Short Straits will be allowed to travel freely including the use of the contraflow on the M20 (Operation Brock) and the use of the M2/A2 corridor.

6.2 In the discussion, Nicolas Heslop sought assurances that the anti-social parking measures would be extended beyond East Kent to Tonbridge and Malling. Other leaders in West and North Kent echoed this request. It was agreed that this matter would be taken forward at the next Kent Leaders meeting.

Item 7 – Impact of EU transition from Dover DC perspective

- 7.1 The Chairman welcomed Trevor Bartlett to the meeting to provide an overview of the impact of the EU transition from a Dover District Council perspective.
- 7.2 Trevor Bartlett provided a brief history of economic development in Dover, with the closure of the East Kent Coalfield and the downsizing of the Pfizer Site having a notable impact on the local economy.
- 7.3 Dover remains a town of significant national importance - with 17% of the UK's trade in goods, 4.5 million vehicles a year, and 11 million passengers, travelling through Dover each year (pre-COVID). Of these 4.5 million vehicles, 2.4 million are freight vehicles. This is equivalent to up to 10,000 trucks per day. Circa 400 - 500 trucks per hour travel outbound from Dover during the peak and similar inbound.
- 7.4 Trevor Bartlett outlined the immediate actions needed to keep Dover clear during the transition. These actions are:
- Improve visibility by getting rid of overgrown shrubs on accident hot spots at key roundabouts.
 - Recognise Manston Airport as only a temporary solution.
 - Additional legal traffic control powers and traffic cameras locally, including on the A2, A256 and A20.
 - Active traffic management such as traffic officers at the Duke of York, A256 junction and Whitfield roundabouts.
 - Cameras in Dover CCTV control room to be used to make traffic management more responsive and local.

7.5 Turning to the medium- and long-term actions, he called for the following interventions:

- Appropriate mitigation at Whitfield and Duke of York's Roundabout. These improvements are required to accommodate the additional traffic generated due to the 'Dover site' that is being secured as an Inland Border Facility, and the committed developments such as that at Connaught Barracks being promoted by Homes England.
- Improvements to Brenley Corner on the M2.
- The dualling of the A2 from Lydden to the Port of Dover at the Eastern Docks
- Reduction in the HS1 journey time to Dover to under the hour, and the supply of additional rolling stock.

Trevor Bartlett urged KMEP board members to support these interventions.

7.6 To recover from the COVID-19 pandemic, Dover District Council is particularly concentrating on: town centre regeneration, the tourism and visitor economy, the green agenda, the skills and training agenda, their new local plan, and implementing improvements in accessibility.

7.7 Trevor Bartlett concluded his presentation by highlighting priority initiatives that will help drive growth in the local economy:

- Discovery Park – Discovery Park is a key centre of employment for the district with 160 companies based there, providing 3,500 jobs. Discovery Park and partners have submitted a Strength in Places bid to UKRI to develop an Accelerated Medicines Design and Development' (AMDD) project. The AMDD project intends to focus on the potential of digital technology to speed up the 'development' phases of work on new medicines.
- Techfort - The TechFort Group wish to redevelop the Western Heights fortress into a cutting-edge and world-renowned technology hub, and has submitted bids to the LEP for Getting Building Funding.
- Freeports – *Please note that, since this KMEP meeting, a Smart Port submission has been developed.*
- The 149 Open - The Open (Golf Championship) will be hosted at Royal St George's, Sandwich in July 2021, and is a major event for the visitor economy.

7.8 The Chairman thanked Trevor Bartlett for his presentation.

Item 8 - A Greener Recovery: Delivering & implement the Energy and Low Emission Strategy

8.1 The Chairman welcomed Christine Wissink, Interim Head of Sustainable Business and Communities at Kent County Council.

8.2 Christine Wissink presented the Kent and Medway Energy and Low Emissions Strategy (ELES), which sets out 10 priorities and high-level actions for Kent to reach net-zero emissions by 2050. The Strategy, and the evidence-base and implementation plan underpinning it, directly link to economic growth and sustainability and will rely on collaboration across public, private and third sectors to be delivered.

8.3 The 10 priorities within the ELES are:

PRIORITY 1: EMISSION REDUCTION PATHWAYS TO 2050

Set five-year carbon budgets and emission reduction pathways to 2050 for Kent and Medway, with significant reduction by 2030.

PRIORITY 2: PUBLIC SECTOR DECISION MAKING

Develop a consistent approach across Kent and Medway, to assess, manage and mitigate environmental impacts (both positive and negative), resulting from public sector policies, strategies, service delivery, commissioning and procurement.

PRIORITY 3: PLANNING AND DEVELOPMENT

Ensure climate change, energy, air quality and environmental considerations are integrated into Local Plans, policies and developments, by developing a clean growth strategic planning policy and guidance framework for Kent and Medway, to drive down emissions and incorporate climate resilience.

PRIORITY 4: CLIMATE EMERGENCY INVESTMENT FUND

Establish a trusted Kent and Medway 'climate emergency' carbon offset scheme and renewable energy investment fund

PRIORITY 5: BUILDING RETROFIT PROGRAMME

Develop Kent and Medway net-zero buildings retrofit plans and programmes for public sector, domestic and business.

PRIORITY 6: TRANSPORT, TRAVEL AND DIGITAL CONNECTIVITY

Set up a smart connectivity and mobility modal shift programme – linking sustainable transport, transport innovations, active travel, virtual working, broadband, digital services, artificial intelligence and behaviour change.

PRIORITY 7: RENEWABLE ENERGY GENERATION

Set up an opportunities and investment programme for renewable electricity and heat energy generation.

PRIORITY 8: GREEN INFRASTRUCTURE

Develop a multi-functional, natural capital opportunity and investment programme – focusing on environmental projects that store carbon, increase climate change resilience, improve air quality and soil health and increase biodiversity.

PRIORITY 9: SUPPORTING LOW CARBON BUSINESS

Develop and implement a Kent and Medway business recovery and support programme to cut costs and win new business.

PRIORITY 10: COMMUNICATIONS

Develop a comprehensive communications, engagement and behaviour change programme targeted at residents, employees, businesses and visitors.

- 8.4 Concluding her presentation, Christine Wissink posed the following three questions:
- How do we support business innovation to optimise the use of resources and develop and adopt low carbon solutions?
 - How do we increase and target investment in green (and greener) projects?
 - How do we develop sustainable skills, services, new markets and supply chains across the economy?
- 8.5 During the discussion, John Keefe (Eurotunnel), Matthew Arnold (Stagecoach), and Vince Lucas (VA Rail) expressed an interest in working together with KCC on exploring sustainability opportunities in Kent and particularly priority 6. It was

agreed that Christine Wissink would be put in contact with these business leaders so that discussions could take place outside of the meeting.

8.6 The Chairman thanked Christine Wissink for her presentation.

The meeting ended at 7.00pm.

Update from East Kent Chief Executives on Stodmarsh - 4th March 2021

Background

1.1 Natural England has issued water quality advice that has had a significant impact on the ability of Local Planning Authorities to issue planning permissions for new homes within the Stour catchment.

1.2 Their advice sets out that until the Stodmarsh protected site is restored to good condition, new developments cannot go ahead unless it can be shown that they will not contribute to any further deterioration of water quality at Stodmarsh. Developments need to show “neutrality” in terms of two nutrients - phosphorus and nitrogen - which, Natural England suggests, have the potential to harm the habitats at Stodmarsh.

1.3 In the absence of an agreed strategic solution, there will be a significant break in development activity in East Kent, which is the key growth area for the County.

Progress to date

1.4 The Kent authorities are developing a joint catchment-wide strategy, recognising the need for both interim and long term solutions to deliver the two key objectives:

- (1) Deliver planned growth to support the local economy and meet housing needs;
- (2) Bring the Stodmarsh site back into favourable condition at the earliest opportunity.

1.5 On-site treatment works and biodiversity enhancements have been agreed as solutions for two strategic sites in Canterbury District. A similar approach has been agreed for the Otterpool strategic site at Folkestone. These measures enable large sites to demonstrate that they are nutrient “neutral”.

1.6 The Natural England advice recognises however that smaller sites and brownfield developments may be harder to mitigate in this way.

Outcomes of the Multi-agency work coordinated by PAS

1.7 There has been a series of three meetings arranged by the Planning Advisory Service over the past couple of months, to find solutions to the problem. The affected Kent Authorities have attended along with Natural England, Southern Water, Environment Agency, DEFRA and MHCLG. The final meeting took place 10 February 2021.

1.8 The main outcomes of the PAS meetings were:

- Agreement that a Catchment-wide Mitigation Strategy is needed;
- Consensus around the two objectives of delivery growth and improving the water quality at Stodmarsh;
- Agreement by Natural England that a strategic approach whereby nutrient “credits” from planned and potential projects in the catchment can be used as part of a long term strategy that will deliver housing in the short, medium and long term;

- Explore opportunities to secure upgrades to Canterbury WWTW much sooner than 2030;
- Agreement that there is a need to coordinate implementation of the Mitigation Strategy through a steering-group approach.

1.9 Work is underway in the Kent authorities to calculate the total nutrient loadings from planned development, and to identify potential existing nutrient “credits” to ascertain the residual level of nutrients requiring mitigation.

1.10 We will continue to work with the Planning Advisory Service to progress a strategic approach to resolving the issues.

Drafting strategy and proposal from CEX to Gov

1.11 The East Kent Chief Executives are putting together a draft strategy which we anticipate PAS will assist us in finalising and implementing. A further update report will be made to KMEP at the next meeting in May 2021.

Sarah Nurden - GT ED

From: Sarah Nurden - GT ED
Sent: 25 February 2021 14:01
To: damian.green.mp@parliament.uk
Cc: Roland Cooper; Geoff Miles
Subject: Follow-up from your call with Roland Cooper about nutrient neutrality

Sent on behalf of Geoff Miles (Chairman of the Kent and Medway Economic Partnership & Business Advisory Board)

Dear Damian,

Thank you very much for coming to the Business Advisory Board meeting in January; we were delighted by your presence, and hope that you found the economic commentaries helpful in aiding future decision-making.

I wish to record my thanks as well for speaking recently to Roland Cooper (a KMEP and BAB member) regarding the nutrient neutrality issue that the region is facing which has resulted in a substantial brake on allocated site and regeneration aspirations in the region, and is causing significant economic concern in the construction sector.

We confirm that we would be grateful for your support in seeking assistance from your ministerial colleagues to, in turn, secure support from Southern Water Services (SWS), DEFRA, Environment Agency (EA) and Natural England (NE) as follows.

It is clear that the optimum way forward for the region will be to agree a Regional Nutrient Strategy with the key stakeholders. The core elements of this will need to be:-

- Agree delivery dates for waste water treatment works (WWTW) improvements already in train within the current Asset Management Plan (AMP) to provide strategy certainty and deliver an immediate 31% reduction in nutrient load – SWS, DEFRA and EA
- Accelerate improvements to remaining WWTWs in region, ideally by reallocating funds from other Environmental projects to secure further substantial Nutrient reductions within the current AMP – SWS, DEFRA and EA
- Secure commitments for funding within the next AMP round to ensure all remaining WWTWs are brought up to best standards in conjunction with permit level reductions for nutrient loads to secure the improvements in perpetuity – SWS, DEFRA, EA
- All parties to sign up to the agreed Regional Strategy including the above commitments so that NE can also sign up to it and amend their advice to Planning Authorities to free up development activity

Clearly to achieve these strategic aims will require co-operation between departments particularly for the allocation of committed funding. These improvements are in the national interest and affect existing populations as well as new development populations so we would also hope that all parties agree these works should be funded within existing budgetary plans to ensure that other investment strategies deriving from Sn106 monies, for example, remain in train to deliver the much needed local infrastructure improvements that are associated with new developments.

Once again, thank you for your assistance with this issue.

Yours sincerely

Geoff Miles

Chairman of the Kent and Medway Economic Partnership & Business Advisory Board

A partnership between the business community, education sector, and local government & a federated board of the South East Local Enterprise Partnership

ITEM - AOB

Date: 4th March 2021

Subject: Award of SELEP Sector Support Funding

Report author: Sarah Nurden, KMEP Strategic Programme Manager

Summary & Background

The South East LEP invites its working groups to bid for a share of the SELEP Sector Support Fund (SSF). A criterion for SSF bids is that the proposal is endorsed by at least one of SELEP's federated boards. This paper describes a bid that seek KMEP's endorsement.

Recommendation

KMEP is asked to consider and decide if it wishes to endorse, or not endorse, the following SSF bid:

- Accelerating Nature-based Climate Solutions.

If the bid is not endorsed, constructive feedback is sought from the board to provide to the project promoter and to SELEP.

1. Introduction & background information

1.1 Every year SELEP invites its working groups to bid for a share of the SELEP Sector Support Fund (SSF). The SELEP working groups are:

- Business Support (Growth Hub)
- Clean Growth
- Coastal Communities
- Enterprise Zones
- Housing
- Major Projects
- Rural
- Senior Officer Group
- Skills Advisory Panel
- Social Enterprise
- South East Creative Economy Network
- Tourism
- U9 (University working group)

1.2 The SELEP Sector Support Fund provides revenue funding, and there is currently £261,729 of SSF available to bid for.

- 1.3 SELEP has set the following criteria for the Sector Support Fund:
- The project is pan-LEP in scope
 - The project will drive forward economic growth
 - The project is consistent with Strategic Economic Plan priorities
 - The project has at least 30% match-funding
 - The project provides value for money
 - The project meets legal requirements
 - The project has the support of at least one federated board
 - The project value is between £5k and £200k.
 - The project requires one-off spend and time-limited (Business as usual projects will not be funded using this money).
 - The project must contribute to easing the impact of COVID-19 and/or Brexit (a new criterion agreed on 12 June 2020).

2. Project seeking Sector Support Funding

- 2.1 A new Sector Support Fund bid has been submitted for approval by the SELEP Strategic Board at their meeting on 19th March 2021. Before reaching their decision, the SELEP Strategic Board wishes to canvass the views of the federated board.
- 2.2 The bid is entitled “**Accelerating Nature-based Climate Solutions**” and it is seeking **£135k** of SSF. The project summary is shown in **Appendix A**, and the full project bid is included as **Appendix B**. The applicant is the SELEP clean growth working group.
- 2.3 KMEP board members are asked to read the attached appendices before the meeting please, and determine whether they wish to endorse the bid. There will not be a presentation given during the meeting, rather the Chairman will go straight to the vote during AOB. However, if you do have any queries you wish to raise, Chris Drake (Partnership and Projects Officer for Natural Environment and Coast at Kent County Council) will be in attendance at KMEP to answer any questions.

3. Recommendation

- 3.1 KMEP is asked to consider and decide if it wishes to endorse, or not endorse, the following SSF bid:
- Accelerating Nature-based Climate Solutions.
- 3.2 If a bid is not endorsed, constructive feedback is sought from the board to provide to the project promoter and to SELEP.

Accelerating Nature-based Climate Solutions		Total project cost: £193,000 SSF ask: 135,000 Match: £58,000
Summary and aims	Outcomes and Added Value	
<p>Summary:</p> <p>Nature-based projects have the potential to deliver carbon sequestration services across terrestrial, coastal and marine habitats. The purpose of this bid is to accelerate the emergence of a new 'market-place' for nature-based projects which support clean growth by providing carbon-offsetting solutions. This will enhance the natural capital of the SELEP region and assist with the safeguarding of existing jobs, the creation of new jobs, the development of new skills and access to new income streams for land-owners, farmers and the nature-based sector.</p> <p>Aims:</p> <p>The project will provide the market analysis, skills development and framework for a 'brokerage hub' for nature-based solutions for carbon sequestration. This will facilitate the development of nature-based carbon offsetting projects in the SELEP region, assisting local authorities and businesses to move towards net-zero whilst investing in the natural capital of the local area.</p> <p>The main deliverables:</p> <ol style="list-style-type: none"> 1. Provide an understanding of the demand for nature-based projects from local authority climate emergency plans and the local businesses seeking to invest in local carbon offsetting. 2. Assess the 'readiness' of nature-based organisations to develop and deliver nature-based projects for carbon sequestration and identify gaps in skills, knowledge and capacity that stand in their way. 3. Produce resources to support the development and delivery of a coherent nature-based carbon sequestration offer. 4. Develop demonstration projects to showcase innovation and good practice. 5. Create the framework for a SELEP-wide 'brokerage hub' that can bring together 'buyers' and 'sellers' to co-develop nature-based carbon sequestration projects. <p>The outputs of the project are planned to be spread equitably across the SELEP region.</p>	<p>Outcomes:</p> <ul style="list-style-type: none"> • Help to accelerate the role of nature-based projects as a 'carbon removal technology' that can provide some of the offsets needed for local authorities and businesses to achieve 'net zero', while also providing multiple benefits for people and nature. • Develop the skills and knowledge needed to 'monetise' the services provided by natural capital assets. • Provide the template for delivering a locally focused carbon 'offsetting' mechanism. • Facilitate greater investment in natural capital across the SELEP region. • Support access to new potential income streams for farmers, landowners and community-based organisations. • Assist the nature-based sector to move into a more entrepreneurial space. This will help the sector, hit by falling income in the wake of Covid 19, to create and safeguard jobs. • Increase the likelihood of drawing inward investment into the region from the government's £40million Green Recovery Challenge Fund. <p>Added value:</p> <p>An estimated £10,000 worth of resources and training per organisation will be developed and provided to at least 50 organisations = £500,000 of value that would otherwise not be accessible.</p> <p>Based on examples of 'investment readiness' funds in the social sector it's estimated that the £50,000 project development fund could unlock 9 times its value = £450,000. This equates to 56 jobs, based on government estimates that the £40 million Green Recovery Challenge Fund will deliver 5000 jobs in nature-based solutions.</p>	

Appendix B - Full Sector Support Fund (SSF) Application Template

1. Project Title	
Accelerating Nature-based Climate Solutions.	
2. Project Location	
East Sussex, Kent and Essex	
3. Lead point of contact for Project	
Name	Andy Arnold
Organisation	East Sussex County Council
Job Title	Environment Team Manager
Telephone	07803 899490
Email	Andy.arnold@eastsussex.gov.uk
4. Lead contact in County Council/ Unitary Authority (if different from above)	
Name	As above
Organisation	
5. Description of Project (No more than 300 words)	
<p>This project will accelerate the 'supply and demand' of nature-based solutions across SELEP. It will enhance natural capital whilst delivering clean growth, jobs and skills across the nature-based sectors¹.</p> <p>The project will focus on carbon sequestration, where there is significant demand but fragmented supply. However, outputs will also be relevant to the delivery of other nature-based solutions, for example biodiversity net gain for new development.</p> <p>It will:</p> <ol style="list-style-type: none"> 1. Provide an understanding of the demand for nature-based projects from local authority climate emergency plans and the local businesses seeking to invest in local carbon offsetting. 2. Assess the 'readiness' of nature-based organisations to develop and deliver nature-based projects for carbon sequestration and identify gaps in skills, knowledge and capacity that stand in their way. 3. Produce resources to support the development and delivery of a coherent nature-based carbon sequestration offer. 4. Develop demonstration projects to showcase innovation and good practice. 5. Create the framework for a SELEP-wide 'brokerage hub' that can bring together 'buyers' and 'sellers' to co-develop nature-based carbon sequestration projects². 	
6. Federated Board endorsement	
<i>Please indicate which Federated Boards have endorsed the project, including dates of any relevant meetings.</i>	

¹ The 'nature-based sector' refers to those organisations working in the area of habitat creation and management and nature-based project design and delivery. It includes environmental NGOs (e.g. RSPB, Wildlife Trust etc), community-based organisations, forestry/woodland contractors, farmers and landowners, land-owner advisors, National Parks and AONBs.

² Nature-based projects create and deliver wildlife-rich habitats as a way of delivering a range of benefits to people and nature including carbon storage and sequestration. They are recognised by government as a unique mechanism for tackling the twin challenges of halting biodiversity loss and tackling climate change, whilst creating and retaining jobs as part of the green recovery. For info see [The Government Response to the Committee on Climate Change's 2020 Progress Report To Parliament. Reducing UK Emissions.](#)

This bid has been developed by a range of organisations across SELEP. It has also been circulated to the members of SELEP’s Clean Growth working group and endorsement has been received from Locate in Kent, Kent Local Nature Partnership, Community Energy South and Lewes-Eastbourne Councils, amongst others. Lead organisations in each of the Federated areas will now seek the endorsement of the Federated Boards prior to the the Strategic Board.

7. Project links to SELEP Economic Strategy Statement (ESS)

Please identify which objectives within the current ESS that this project will assist in delivering

This bid has been developed to accelerate the emergence of a new ‘market-place’ for nature-based projects which support clean growth by providing nature-based carbon-offsetting solutions, enhancement of the natural capital of the SELEP region and the creation of new jobs, skills and income streams for the nature-based sector across SELEP.

It thus aligns with the SELEP themes, objectives and priorities as follows:

SELEP theme, objective or priority area	Description	Support provided by the project
Cross Cutting Theme: Clean Growth	To help reduce carbon emissions and build climate change resilience.	<p>The project will provide the market analysis, skills development and framework for a ‘brokerage hub’ for nature-based solutions for carbon sequestration. This will facilitate the delivery of nature-based carbon offsetting projects in the SELEP region, assisting local authorities and businesses to move towards net-zero whilst investing in the natural capital of the local area.</p> <p>Harnessing this emerging income stream for nature-based solutions will help to build and enhance the natural capital assets of the SELEP region which, in turn, will build resilience in the natural environment to the impacts of climate change (such as flooding, drought and biodiversity loss). Where resulting new projects provide more ‘nature near people’ this will also provide benefits for the wider economy, in terms of tourism and support for health and wellbeing and enhancement of the places where people live and work.</p> <p>The project will support those organisations working in the SELEP area on the development and delivery of habitat creation projects - providing the skills and knowledge needed to ‘monetise’ the services they provide and move into a new entrepreneurial space. This will help the sector, hit by falling income in the wake of Covid 19³, to create and safeguard jobs via the expansion of their work. It will support landowners in identifying new potential sources of income from their land, and community-based organisations with a means to connect and collaborate with others to co-design projects in their local area.</p>
SELEP Working Group: Clean growth	Aim: to collaboratively help to deliver clean growth at pace for the South East LEP region, given the climate	- The project fits directly within the aims and terms of reference of the Clean Growth Working Group by supporting a more joined up response to the role of nature-based solutions in providing locally based carbon offsets and through the creation of demonstration projects through

³Across the UK, almost half of wildlife conservation organisations surveyed in 2020 said their financial reserves were sufficient for six months or less; the expected losses for 23 organisations was over £88 million. Losses of income include closure of visitor attractions, cancelled fundraising, decreased donations and access to grants <https://www.wcl.org.uk/huge-nature-cost-of-coronavirus.asp>

	<p><i>emergency and net zero challenge.</i></p> <p><i>Specific objectives within the Terms of Reference for the Group.</i></p>	<p>which innovation and opportunities can be showcased and delivered.</p> <ul style="list-style-type: none"> - Importantly, it will provide an opportunity for this working group to help to accelerate the role of nature-based approaches as a 'carbon removal technology' that can provide some of the offsets needed for local authorities and businesses to achieve 'net zero' while also providing multiple benefits for people and nature.
<p>Objective: Smarter</p>	<p>Raising productivity across the SELEP area</p> <p>Productivity matters in every sector</p>	<p>This project will:</p> <ul style="list-style-type: none"> - Provide the foundation for harnessing a new income stream for the rural economy across the SELEP area, helping organisations working in habitat creation to secure and grow skills and jobs. There is no single existing mechanism through which this can be done at present and the fragmented approach that is emerging is creating barriers to project development and therefore the flow of these funds. - Provide the template for delivering a locally-focused 'offsetting' element of clean growth strategies across the public and private sectors within SELEP - providing a 'missing piece' in achievement of these strategies. - Facilitate greater investment in natural capital across the SELEP region which will provide wider benefits for people and the economy. - Support access to new funding streams for farmers, landowners and community-based organisations who may want to become involved in developing solutions in this area.
<p>Objective: Deliver Faster</p>	<p>Accelerating housing and infrastructure delivery to meet planned growth</p>	<ul style="list-style-type: none"> - The project will develop a framework for a nature-based solutions 'brokerage hub' that can be expanded to include 'biodiversity net gain' and 'nitrate neutrality' alongside carbon offsetting. This is currently a growing constraint to housing development in parts of the SELEP region. More information on creating nature-based 'nutrient offsetting credits' – such as those being created in Hampshire can be found here⁴
<p>Objective: Together</p>	<p>Collaborating across the greater south east, with government and business</p>	<ul style="list-style-type: none"> - The project has been brought forward via the South East Nature Partnership which has members from SELEP and the wider South East of England (Hampshire, Isle of Wight, Surrey). It thus provides an opportunity to disseminate the lessons from this project to a wider audience in the south east. - The project is developing thinking which will be of value in informing national government policy and frameworks in this area. It is supported by Forestry Commission (South East) and involves members of national organisations with a presence in the SELEP area (such as RSPB, Natural England, Environment Agency). The national networks of these organisations can be used to disseminate the findings to policy-makers at a wider national level.
<p>Priority 1: Creating ideas and enterprise.</p>	<p><i>Creating, adapting and adopting new ideas is at</i></p>	<ul style="list-style-type: none"> - The project is about innovation and development of a coherent 'offsetting' offer by the nature-based sector, pulling

⁴ <https://www.newforest.gov.uk/article/1206/Nutrient-neutral-development>

	<p><i>the heart of our ambition for a 'smarter' economy. This means supporting our innovating capacity in our 'leading edge' businesses - but it also means increasing the opportunities for creativity across the economy, enabling businesses with the potential for growth to expand.</i></p>	<p>together expertise from across sectors, the SELEP area and beyond.</p> <ul style="list-style-type: none"> - It will fill a gap not currently being addressed in a strategic, cross-sectoral way anywhere in the SELEP area (or wider SE area). - It will support the nature-based sector and those who manage land, to become more 'entrepreneurial' and access new funding streams through innovation of nature-based solutions for new audiences. - It complements - rather than competes with - existing policy and government grant initiatives for woodland creation, habitat restoration and farmland management for climate benefits⁵.
<p>Priority 4. Creating Places.</p>	<p><i>As well as delivering 'growth', we need to create places to which south east residents and businesses aspire.</i></p> <p><i>"our natural environment and landscapes are central to the South East's attractiveness and quality of life. These assets will need to be carefully managed to create a "sense of place", adding economic value to both businesses and communities"</i>⁶.</p> <p>Specific, relevant priorities include creating places that will be successful for the long term, valuing the natural capital and environmental quality we enjoy in the south east.</p>	<ul style="list-style-type: none"> - The demonstration projects will help to accelerate the design and delivery of new natural capital assets - which when located as per emerging Local Nature Recovery Strategies⁷, will target projects where they will contribute positively to 'place-making' and deliver optimal benefits for nature, landscapes, communities and people where they are needed most. - Nature-based projects have the potential to deliver carbon sequestration services in rural and urban environments and across terrestrial, coastal and marine habitats. They thus have the potential to contribute to the quality of the whole range of environment types found across the SELEP area. - The framework for the 'brokerage hub' will identify a mechanism to help to harness new funding sources for investment in natural capital assets across the SELEP area over and above those already available. It will thus leverage greater enhancement of the natural assets which make up the landscapes and natural places of the area.
<p>Objective 5: Working together.</p>	<p><i>We need to build on our wider regional connections. Working together with government: a strengthened relationship, focused on strategic partnership between central government and business, local government and education leadership</i></p>	<ul style="list-style-type: none"> - This project provides an opportunity for SELEP to engage with and support the work of the Local Nature Partnerships across its geography (both in the individual counties and as part of the collaborative 'South East Nature Partnership' (SENP) which brings together the LNPs across Sussex, Kent, Essex, Surrey and Hampshire/Isle of Wight - as a means of innovating and supporting the use of natural capital to support clean economic growth. - It provides an opportunity to lead innovation in this area, which will help to inform a national response in the year in

⁵ Such as Woodland Carbon Code, Green Recovery Challenge Fund, existing grants to farmers for environmental management.

⁶ Section 7.4 p46.

⁷ As set out in the Environment Bill.

	<p><i>Relevant priority: Work with complementary strategic partners to develop a shared understanding of the opportunities for economic growth. For example, we will work closely with the Local Nature Partnerships in the SELEP area to develop an understanding of how Natural Capital can underpin and inform sustainable economic growth.</i></p>	<p>which the UK hosts COP 26. The South East Nature Partnership network can be used to disseminate learning beyond the SELEP region - with adjacent LEPs, Tier 1 local authorities and academic/research institutions in the region.</p>
<p>Clean Growth Strategy, HMG 2018⁸</p>	<p><i>Enhancing the benefits and value of our natural resources.</i></p> <p><i>Make sure our land plays an important role in capturing carbon and enhancing natural capital</i></p> <p>During the 2020s we need to accelerate the rate of tree planting, working towards our 12 per cent tree cover aspiration by 2060. To do this will require investment by the private and charitable sectors, not just government.</p>	<ul style="list-style-type: none"> - There is a huge national government ambition to achieve tree planting and carbon offsetting via other habitats. There is also an acknowledgement that there is a need for a ‘carbon market’ in this area to help to unlock investment. This project complements work in this area delivered via the Woodland Carbon Code, run by the Forestry Commission, to broaden the scope to other habitats (including coastal and marine habitats common across SELEP such as saltmarsh, seagrass and kelp) and to stimulate activity while the great complexities of a nature-based carbon market are developed nationally. - It also complements the direct government spend of £40million via the Green Recovery Challenge Fund on nature-based climate projects but helps to move the reliance of these sorts of projects away from direct grants and government funding and towards new income sources. - It will also bring together those organisations who may not own land (such as businesses and community groups) but wish to become involved in a local project - with those who do and are also seeking additional income opportunities. This can help to accelerate access to land required for ambitious tree planting and habitat restoration targets.

8. Total value (£s) of SSF sought (net of VAT)

Total Value: £135,000

9. Total value (£s) of project (net of VAT)

Total Project value: £193,000

Detailed Breakdown:

⁸ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/700496/clean-growth-strategy-correction-april-2018.pdf

Work Strand	Detailed Breakdown	Cost
1) Supply and demand analysis	<p><u>1. Demand:</u> Case study analysis to understand the scale of demand, barriers, opportunities, emerging models:</p> <ul style="list-style-type: none"> - 4 local authorities (1 per federated area). - 8 businesses (2 per federated area). <p><u>2. Supply:</u> identification of existing skills, capacity, barriers and needs in order to respond to demand:</p> <ul style="list-style-type: none"> - Assessment of the natural capital opportunity in the 4 case study local authority areas. - Engagement with environmental NGOs, community-based organisations, protected area authorities and government agencies. - Engagement with 4 'farm clusters' (1 in each federated area). <p><u>3. Synthesis report.</u></p>	£71,500
2) Supply side support resources	<p><u>Development of the 'offer' from the nature-based sector:</u></p> <ol style="list-style-type: none"> 1. Development of interim standards to enable projects to start while government identifies formal metrics. 2. Guidelines and training on effective project design, financing and legal models. 	£21,500
3) Demonstration projects	<p><u>Project pipeline:</u></p> <ol style="list-style-type: none"> 1. Collation of existing and emerging projects across the SELEP region. 2. Project Development Fund to enable the co-development of new project designs by 'buyers' and 'sellers' (one in each Federated area). 	£57,000
4) Brokerage hub development	<ol style="list-style-type: none"> 1. Review of existing brokerage hub models. 2. Identification of business model for development of a brokerage hub serving the SELEP area (For delivery as a next phase). 	£14,500
5) Project management	Project officer.	£28,500
Total		£193,000

10. Total value (£) of match funding (net of VAT)

£58,000

11. Funding breakdown (£s)

Source	2021/22	2022/23	Total
SSF	£112,500	£22,500	
<i>Other sources of funding (please list below, add additional rows if necessary)</i>			
<i>Insert name of funding</i>			
ESCC cash	£5,000	£5,000	
KCC cash	£5,000		
Clean Growth UK cash	£5,000		

Partner in-kind	£32,000	£6,000		
Total Project Cost	£159,500	£33,500		

12. Details of match funding

Insert details of match funding, including who is providing match, at what value, on what terms and what assurances are there that the match will be provided

Three organisations have committed cash, as itemised in section 11 above, to a total of £20,000.

Kent Wildlife Trust has confirmed a commitment of £20,000 of staff time.

Commitments of staff time to the project have also been provided by a range of other organisations, including the Forestry Commission (South East), the South Downs National Park, Kent County Council and a range of members of the Kent and Sussex Local Nature Partnerships, totalling at least an estimated £18,000.

13. Expected project start and completion dates

Start date: May 2021

End Date: April 2022

The reason for not starting the project immediately after a decision is made by SELEP is to provide the time to set up the governance and project management so that the available 12 months are used as productively as possible.

14. Key Milestones

Key Milestones	Description	Indicative Date
1. Project set up	Establish project governance and recruit project manager.	30 April 2021
2. Supply and demand analysis - synthesis report	1.1 Report on analysis of supply / demand for nature-based solutions.	30 September 2021
3. Supply side resources prepared and delivered	2.1 Resources to guide project development and financing produced. Associated training events delivered across the SELEP area.	31 January 2022
4. Project Pipeline of Demonstration Projects	3.1 Portfolio of existing projects prepared and published. 3.2 Project Innovation Fund: projects completed to feasibility stage.	30 November 2021 31 March 2022
5. Brokerage hub development	4.1 Review of other models. 4.2 Development of framework for brokerage hub.	31 December 2021 31 March 2022
6. Project Board meetings	Quarterly, plus final project meeting.	May 2021, August 2021, November 2021, February 2022, April 2022.
7. Project reports	7.1 Bi-annual reports to SELEP.	October 2021, April 2022.

15. Benefits created by 2022 (list benefits with number/amount and cash value if applicable)

Type of Benefit	Number of benefits created	Cash value of benefit (£)
Immediate benefits		

Increase in skills and expertise in developing nature-based projects for carbon sequestration across the nature-based sector in SELEP	<i>Over 50 organisations will directly benefit from the training and resources developed and delivered via this project. Beneficiaries will be amongst the 30 members of the Sussex Local Nature Partnership, the 20 members of the Kent Local Nature Partnership, the 35 local authorities in SELEP, at least 10 organisations working in wildlife in Essex and the farm clusters engaged through the project.</i>	An estimated £10,000 worth of resources and training per organisation will be developed and provided to at least 50 organisations = £500,000 of value that would otherwise not be accessible.
Demonstration projects developed to kick start a project pipeline	<i>The demonstration projects in each federated area will leverage additional investment, help to create new natural capital assets and support jobs in the nature-based sector.</i>	Based on examples of 'investment readiness' funds in the social sector it's estimated that the £50,000 project development fund could unlock 9 times its value = £450,000 (see: GM-Natural-Capital-Investment-Plan-Final180119.pdf (naturegreatermanchester.co.uk)). This equates to 56 jobs, based on government estimates that the £40 million Green Recovery Challenge Fund will deliver 5000 jobs in nature-based solutions.
Longer term benefits once 'brokerage hub' established		
Acceleration of nature-based projects, which will help to diversify incomes for land owners and farmers, reduce barriers to housing development ⁹ , and contribute to achieving net zero carbon.	<i>A 'brokerage hub' to support the development and delivery of natural capital projects doesn't currently exist.</i>	The brokerage hub, through the delivery of projects, will be able to develop indicators such as the hectares of habitat created, tonnes of carbon sequestered and jobs created for the financial investment made.
Support for existing jobs within the nature-based sector and growth of new jobs and skills	<i>Investment in nature-based solutions for net-zero has resulted in 1/3 of the total job growth in Scotland between 2015-19 and growth in this sector is expected to rise significantly in coming years¹⁰.</i> <i>Research by the LSE and Grantham Institute has found that "planting trees and restoring wetlands are capable of delivering jobs at speed. These projects are not susceptible to off-shoring, are less import-intensive than many</i>	Using analysis by Surrey Wildlife Trust (in partnership with C2C), work in Surrey to create 700ha of habitat will support the creation of 18 FTE jobs ¹² . This equates to approximately 1 job per 38 ha of habitat created/managed.

⁹ See here - for details of scheme in Hampshire to provide offsets for nutrient neutrality and enable development to proceed <https://www.hiwwt.org.uk/reducing-nitrates-solent>

¹⁰ Nature Scot (2020). Nature-based jobs and skills for net-zero - and initial assessment. <https://www.nature.scot/sites/default/files/2020-12/Nature-based%20jobs%20and%20skills%20for%20net%20zero%20-%20an%20initial%20assessment.pdf>

¹² Efttec(2019). A Coast to Capital Natural Capital Accounting Study. Final Report. Surrey Wildlife Trust. July 2020.

	<p><i>traditional stimulus measures and can create jobs in all regions of the UK”¹¹.</i></p> <p><i>This project will help to establish a future mechanism from bringing project ideas ‘to market’ and thus support jobs and growth.</i></p>	
Creation of new areas of natural capital across the SELEP area - contributing to nature recovery, delivery of benefits for people, places, jobs and the local economy	Natural capital across the SELEP region provides a range of benefits to nature and people, including carbon storage, flood risk reduction, improved drought resilience, water quality improvement, air quality improvement, pollination, benefits for physical/mental health and wellbeing, attractiveness of places and landscapes, with knock on benefits for tourism and inward investment.	<p>No estimation of the value of natural capital across the SELEP area exists. However, studies from elsewhere can identify the scale of benefits to the local economy from natural capital - and gains to be made from investment in its creation and enhancement.</p> <p>A study of the natural capital value of the C2C LEP area estimated the value of natural capital benefits to the area at £792 million per year. The assets themselves are valued at £2.5bn in present value terms over 60 years. £3.3bn are direct benefits to businesses through agriculture, fishing, timber, renewable energy and minerals. The majority of benefits are to wider society (£19bn) through recreation and public health (physical activity and reduced air pollution)¹³.</p> <p>Studies of Greater Manchester (where natural capital benefits have been estimated at over £900m annually) - investment in natural capital creation can yield total environmental benefits of £8,192 per ha.</p>

16. Value for Money – Benefit/Cost Ratio

Please insert your Benefit/Cost Ratio (i.e total value of benefits divided by total costs). Please indicate how you have quantified your benefits and over what period those benefits are expected to be realised

This project is estimated to provide a benefit/cost ratio of 7:1, based on an estimated £950,000 benefit (ie. £500,000 + £450,000 set out in section 15) divided by the SSF contribution to the total project cost of £135,000. This has been quantified as follows:

- 1) Value of new resources: the research, development, piloting and training activities that will be carried out in this project will save at least 50 identified organisations the cost of carrying out this work individually. Based on recent discussions between Sussex local authorities and a consultancy for delivering a part of this work, it’s estimated that this project will save approximately £10,000 per organisation, which would be a total of £500,000 for the beneficiary organisations in SELEP.
- 2) Unlocked investment: Research by ettec for Greater Manchester’s Natural Capital Investment Plan has identified that funds invested in the social market (eg. the Investment and Contract Readiness Fund)

¹¹ Stern N, Unsworth S, Valero A, Zenghelis D, Rydge J, Robins N (2020) Strategy, Investment and Policy for a Strong and Sustainable Recovery: An Action Plan. Centre for Economic Performance: CEP COVID-19 Analysis. <https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2020/07/Strategy-investment-and-policy-for-a-strong-and-sustainable-recovery.pdf>

¹³ Efttec(2019). A Coast to Capital Natural Capital Accounting Study. Final Report. Surrey Wildlife Trust. July 2020.

unlocked £18 for every £1 invested, evidenced over £13.2m of projects. We have assumed just half this rate is achieved by our proposed demonstration projects, which would be 9 x £50,000 = £450,000.

17. Value for Money – Other Considerations

Please detail benefits that cannot be quantified or cannot be quantified without lengthy or expensive analysis. This narrative should include details on why the benefit can't be quantified. If your BCR does not meet the standard 2:1 – please use this section to set out why the investment should be considered

There are a number of potential benefits that cannot be quantified, including:

- 1) Future market: this project will help to support the post COVID-19 economic recovery by creating the conditions for investment in natural capital projects delivered in the SELEP region, including the developing market for carbon off-sets. The Committee on Climate Change estimates that nature-based sinks will need to remove approximately 7.5% of total emissions to enable the UK to get to net zero. 7.5% of total CO₂e consumption emissions in SELEP is approximately 1.1 million tonnes (BEIS, 2020). The current central value used by BEIS for policy appraisal for the cost of a tonne of CO₂e is £13/tCO₂e, which indicates a current SELEP market for the sequestration of carbon through natural capital of about £14.3m.
- 2) Economies of scale: a key rationale for applying for SSF investment is that there is a need to bring the supply and demand side together at scale because there will be many instances where the need, on either side of the market, will not be met by operating within either an individual land ownership boundary or a local authority administrative area. For example, the off-setting requirement of large housing or commercial developments will often be greater than can be provided by a single site or by multiple sites under single ownership.
- 3) Investment and benefits that will be retained locally: there are currently very few opportunities to invest in certified carbon offsets or other natural capital benefits in the SELEP region, which means both the investment and the benefit it pays for are currently lost from the region.
- 4) Facilitation of development: the development of local solutions to planning requirements, such as the provision of biodiversity net-gain, will reduce the risk of a lack of supply of local off-setting schemes, which will reduce the risk, uncertainty and price fluctuation of meeting such requirements.
- 5) Increased inward investment: the provision of a coordinated approach in SELEP to investing in natural capital will provide a more efficient, and therefore attractive, route for the growing sector of green finance.
- 6) Financial sustainability: SELEP investment into this project will enable project partners to move more quickly to the stage where this activity can be financially sustainable without recourse to further public funding. Various business models for achieving this will be explored during the project with the longer-term goal of establishing a body which can act as a financially sustainable “brokerage hub” that brings together supply and demand and providing expertise to the nature-based sector in financing, development and delivery of nature-based projects.
- 7) Post COVID recovery: this project will help to create the conditions for investment into natural capital. This includes open green space which has proven, and continues to prove, crucial to enable many people to adapt and cope with COVID restrictions, by providing areas where people can look after their physical health and mental wellbeing in a safe and socially-distanced manner.
- 8) Post Brexit: a cornerstone of the government’s post-Brexit agricultural policy is the Environmental Land Management Scheme (ELMS), which is due to be rolled out in 2024. This project will contribute to the SELEP area being more able to take advantage of the investment that will be available through ELMS.
- 9) Reputational benefits to SELEP: this project will position SELEP in the forefront of this fast moving and innovative area and could provide, in the year of COP 26, an opportunity via project partners to showcase an approach to local nature-based solutions to a global audience.

18. Dependencies and Risks

Please detail any scheme dependencies, risks and delivery constraints which may impact on the delivery of the project and or the benefits achieved through SSF investment in the Project

Dependencies

This project is not dependent on any particular external factors in order to be delivered. External changes may occur that might affect the project either positively or negatively (e.g. changes to national policy on natural capital). There are dependencies within the project, including:

- 1) The iterative gathering of evidence from participants on both the supply and demand sides, so that challenges and opportunities can be identified and addressed as they emerge.
- 2) The development of supply-side resources is dependent on firstly understanding the resource needs and then being able to develop resources to address these needs.

The risks arising from dependencies have been included in the summary risk table below.

Risks

Issue	Risk	Mitigation
Project Management	<ol style="list-style-type: none"> 1) Loss of staff capacity. 2) Underestimation of project management time required. 3) lack of expertise in the project team. 	<ol style="list-style-type: none"> 1) Establish robust governance. 2) Ensure supportive project management capacity is available amongst the main project partners. 3) Include budget to procure project management and relevant expertise. 4) Allow for additional delivery time within the programme.
Budget	<ol style="list-style-type: none"> 1) Not enough budget to deliver the outputs. 2) match funding not provided. 	<ol style="list-style-type: none"> 1) Obtain indicative quotes for all contracted works prior to bid submission. 2) confirm match prior to bid submission.
Contractors	<ol style="list-style-type: none"> 1) Cannot procure an appropriate contractor for key deliverables. 2) Contractors perform poorly. 	<ol style="list-style-type: none"> 1) Discuss interest and capacity with potential contractors prior to bid. 2) Write clear contract specifications and set up clear and robust project management processes.
Partner participation	Unable to recruit businesses or organisations to participate.	Identify participants prior to bid submission.
COVID-19	Travel restrictions constrain delivery of outputs.	Design outputs to be deliverable without the need for face-to-face work.

19. State Aid Implications

Please indicate how your project complies with State Aid Regulations

East Sussex County Council will be the accountable body for this project. The bulk of the project is for research and development, from which no commercial entity will be provided with a direct economic advantage. Therefore, the majority of the project does not fall within the State Aid Regulations.

Where commercial entities may benefit from the project, for instance participants in farm clusters, then support from the project will not be provided until it has been documented that all relevant undertakings will not exceed the *de minimis* State Aid threshold.

20. Contracting Body

East Sussex County Council will be the accountable body for this project. The project lead will be Andy Arnold, ESCC's Environment Team Manager. Contact details are: andy.arnold@eastsussex.gov.uk, 07803 899490.

21. Project Governance Structure

Please explain the project governance structure

East Sussex County Council (ESCC) will be the accountable body.

The project sponsor will be ESCC's Head of Service for Planning and the Environment.

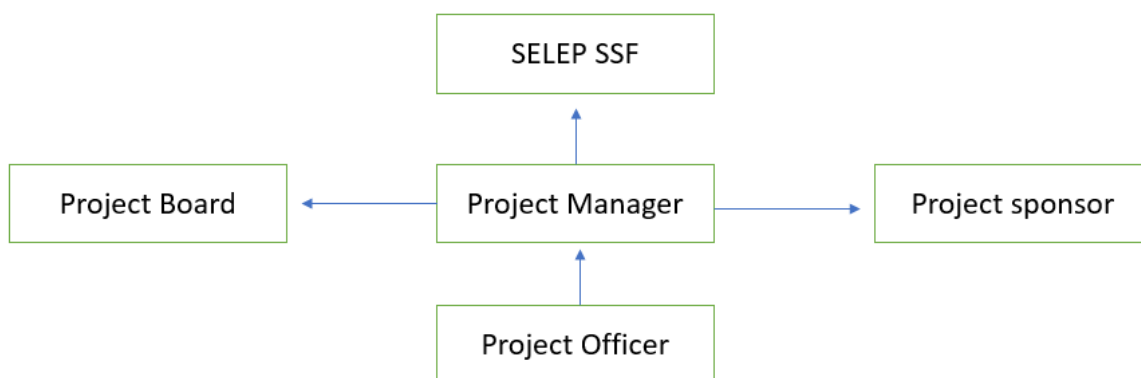
The project manager / senior responsible officer will be ESCC's Environment Team Manager.

A project officer will be employed to ensure the project is delivered to time and on budget.

A project delivery board will be established to steer the delivery of the project. Board representatives will be from each of the upper tier local authority areas and from key stakeholders in the project, including from the Local Nature Partnerships in Kent and Sussex. As a minimum, the board will receive monthly written updates on progress against outputs and budget and will hold quarterly meetings to steer the project and .

Project updates will be provided to the SELEP Clean Growth working group.

Kent Wildlife Trust will be a key partner in the project, including leading on delivery of work strands 1, 2 and 4.



22. Declaration

Declaration	I certify that the information provided in this application is complete and correct
Name	Andy Arnold

Skills

Better Careers, Advice & Guidance – with young people making informed choices due to work experience, careers fairs, enterprise advisers, etc.

Curriculum & training provision matching needs of businesses – e.g. R&D tax credit scheme so employers can deliver bespoke training onsite.

Deployment of apprenticeship levy

Equal opportunities for all – e.g. supply of IT equipment to support remote learning by students.

Talent development in arts sector

Business Support & Trade

Support businesses to recover from pandemic & Brexit

Retain & grow the Growth Hub service.

Support delivery of start-up, scale-up, digitalisation, future forward, and small business enterprise programmes.

Make Kent & Medway UK's Global Gateway/Key to England – through exporting advice, work with DIT, etc

Develop workspace provision

Develop businesses' leadership & management skills

Reflect on how KMEP can support the work of district economic teams.

Moving to the future

Adapt economy to take advantage of new models of working - e.g. Reconsider land use & transport models as a consequence of people working from home.

Reimagine high streets & retail offer – e.g. support companies to adopt e-commerce, while also investing in high street offer as a vibrant community hub.

Harness opportunities from 4th Industrial Revolution & Industry 5.0 – Consider deployment of future technology & invest in local R&D.

Digitalisation

Roll-out digital & mobile connectivity – e.g. broadband provision, 5G, etc.

Support digitalisation for businesses – through skills agenda, e-commerce support & guidance on adoption of new digital tools.

Support investment in IT infrastructure

Clean Growth

Set roadmap to decarbonise economy & meet climate change goals – e.g. net zero by 2050

Make best use of Kent and Medway's natural assets – e.g. investment in Green Hydrogen Generation Facility

Make clean growth a much higher priority in future investment rounds.

Public transport more embedded in Kent's Green Strategy.

Messaging on which technologies may be adopted in future

Major Projects

Support major projects & 'game changers' that attract investment & generate employment –

e.g.
London Resorts
Lower Thames Crossing
New Town Works
Thanet Parkway
Strength in Places bids @ NIAB EMR & Discovery Park

Transport

Rural transport provision – with workers & students able to access rural sites.

Alleviation of major bottlenecks – e.g. single carriageway of A2

Getting best value from existing network – i.e. increasing passenger and freight volumes on High Speed 1

Better connection between existing transport routes – e.g. Crossrail to Ebbsfleet connecting HS1 network to west London.

Promoting greener & public transport – e.g. movement to electric vehicles.

Messaging & Inward investment

Market Kent & Medway as great places to live, work, visit & invest

Campaign to encourage exodus of businesses out of London to Kent

Better communication with MPs.

Better communication of economic intelligence so local stakeholders know economic trends.

Promote key local initiatives – e.g. Medway City of Culture

Combat negative news – e.g. Dec 2020 motorway queues

Position K&M well to receive Government funds through positive upbeat messaging – e.g. levelling-up & UKSPF, etc

Align with SELEP priorities & messaging

Planning

Accelerate planning process – particularly for industrial/commercial schemes.

Remove specific planning barriers that inhibit growth across areas – e.g. find solution to nutrient load advice of Natural England.

Engage with National Infrastructure Strategy that proposes reform of system

Wellbeing & Place

Report on long term health and well-being consequences of lockdown (health, education, psychological)

Holistically plan growth with quality of life/community wellbeing a key factor

Procurement

Improve local provider requirements in government contracts – currently, large firms may open shop front with one man and say it is Kent & Medway based.

Improve SME ability to bid for contracts.

Clustering

Promote opportunities to key sectors to create strong clusters.

Suggested sectors: Renewables servicing; Construction; Manufacturing; Green Energy; Fresh Foods; Maritime/Shipping.

FOR INFO ITEM

Subject: Future meeting dates of the KMEP & SELEP Boards

Kent & Medway Economic Partnership (KMEP)				South East Local Enterprise Partnership (SELEP)	
Date	Zoom available from:	Start time	End time	Strategic Board 10am to noon	Accountability Board 10am to noon
2021				2021	
Thurs 4 March 2021	4pm	4.30 pm	7pm	19-Mar-21	12-Mar-21
Wed 19 May 2021	4pm	4.30 pm	7pm	Rearranged – Now happening on 25-Jun-21 (not 4 th)	07 May 21 – Being cancelled
Thurs 22 July 2021	4pm	4.30 pm	7pm	-	02-Jul-21
Thurs 16 Sept 2021	4pm	4.30 pm	7pm	01-Oct-21	10-Sep-21
Thurs 25 Nov 2021	4pm	4.30 pm	7pm	10-Dec-21	19-Nov-21